



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2011 Biennium

<b>Bill #</b>	HB0568	<b>Title:</b>	Revise law on impaired practitioners
<b>Primary Sponsor:</b>	Roberts, Don	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<b>Expenditures:</b>				
State Special Revenue	\$173,187	\$139,441	\$142,927	\$146,500
<b>Revenue:</b>				
State Special Revenue	\$173,187	\$139,441	\$142,927	\$146,500
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### Description of fiscal impact:

This fiscal note reflects the costs associated with establishment of a diversion program for impaired practitioners licensed by the Board of Medical Examiners and the Board of Dentistry.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Labor and Industry**

1. The department will need to hire a health care professional who is knowledgeable on mental health and chemical dependency to serve as the diversion program manager. The department will need 0.50 FTE class series licensed psychiatrist. Total salary and benefits costs for each year of the biennium are projected to be \$80,597.
2. There will be a one time office set up of \$3,400 in FY 2010.
3. Operating expenses including computer connectivity, phone, and agency indirect costs are projected for each year of the biennium to be \$8,547.
4. The 0.50 FTE psychiatrist would travel on an as-needed or on-call basis approximately eight days per year. The FTE would be reimbursed for lodging and meals for a total estimated cost of \$992 for each year of the biennium.
5. The department will need to hire a 0.50 FTE, class series administrative specialist, to work with the two committees. Total salary and benefits cost for each year of the biennium are projected to be \$24,509.

6. There will be a one time office set up of \$3,400 in FY 2010.
7. Operating expenses including computer connectivity, phone, and agency indirect costs for each year of the biennium are projected to be \$5,282.
8. The department will need to adopt rules to implement this bill. It is estimated that the Board of Dentistry will have an 8 page rule notice and an 8 page adoption notice @ \$50 each = \$800. The Board of Medical Examiners will have a 10 page rule notice and a 10 page adoption notice @ \$50 each = \$1,000. The total cost for FY 2010 would be \$1,800.
9. Each board will have a 2 hour hearing. Court reporter costs \$400 (2 hearings x 2 hours x \$100 per hour). The hearing examiner in FY 2010 will cost \$340 (2 hearings x 2 hours x \$85 hour). The total for FY 2010 would be \$740.
10. The attorney time to review and prepare the notice of hearing and adoption notice is 18 hours x \$95 per hour = \$1,710 in FY 2010.
11. The department will need to notify their licensee and interested parties of the rule hearing and adoption. There are 1,484 active and inactive dentists, 9,756 active and inactive medical board licensees, 38 interested parties for Board of Dentistry, and 70 interested parties for the medical board for a total of 11,348 x \$1 for post card and printing x 2 mailings = \$22,696 in FY 2010.
12. There will be an additional four meetings per year (two meetings per board). The average cost of a board meeting and per diem is \$2,750 or an additional cost of \$11,000 for each year of the biennium.
13. It is assumed there will be a separate committee for each board with three members on each committee for a total of 6 members. Each committee will meet twice per year to monitor progress and will meet at least monthly via conference call to consider requests to participate in the program, review reports regarding participants, and other matters. These six members will be reimbursed mileage, lodging, and meals. The cost for two meetings will be \$4,514. The average cost of a conference call is \$200. Total annual conference call expenses would be \$4,000 for a combined total cost of \$8,514 for each year of the biennium.
14. A 2.5% inflation factor is applied to FY 2012 and FY 2013 expenses.
15. License fees will be set commensurate with costs.

	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>	<b><u>FY 2012 Difference</u></b>	<b><u>FY 2013 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Personal Services	\$105,106	\$105,106	\$107,734	\$110,427
Operating Expenses	\$68,081	\$34,335	\$35,193	\$36,073
<b>TOTAL Expenditures</b>	<b>\$173,187</b>	<b>\$139,441</b>	<b>\$142,927</b>	<b>\$146,500</b>
<b><u>Funding of Expenditures:</u></b>				
State Special Revenue (02)	\$173,187	\$139,441	\$142,927	\$146,500
<b>TOTAL Funding of Exp.</b>	<b>\$173,187</b>	<b>\$139,441</b>	<b>\$142,927</b>	<b>\$146,500</b>
<b><u>Revenues:</u></b>				
State Special Revenue (02)	\$173,187	\$139,441	\$142,927	\$146,500
<b>TOTAL Revenues</b>	<b>\$173,187</b>	<b>\$139,441</b>	<b>\$142,927</b>	<b>\$146,500</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
State Special Revenue (02)	\$0	\$0	\$0	\$0

**Technical Notes:**

1. Currently, out of state licensees and individuals not yet licensed in Montana have voluntarily requested admission to the existing diversion program used by the boards. This bill will prevent those individuals from admission.
2. The board's license fees currently cover the cost to contract with an impairment program. Additional license fee increases will be needed to cover the additional costs associated with this bill to keep fees commensurate with costs.

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*